

RECORDATION NO. 20805 FILED

AUG 6 '97 10-20AM

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
918 SIXTEENTH STREET, N.W.

SUITE 200  
WASHINGTON, D.C.

20006-2973

(202) 393-2266

FAX (202) 393-2156

OF COUNSEL  
URBAN A. LESTER

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

August 5, 1997

RECORDATION NO. 20805-A, B, C, D FILED

AUG 6 '97 10-20AM

AUG 6 10 17 AM '97

RECEIVED  
SURFACE TRANSPORTATION  
BOARD

Mr. Vernon A. Williams  
Secretary,  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of an Equipment Lease Agreement, dated as of August 6, 1997, a primary document as defined in the Board's Rules for the Recordation of Documents and two (2) copies of each of the following secondary documents related thereto: a Lease Supplement, Trust Indenture and Security Agreement, an Indenture Supplement, and a Bill of Sale.

The names and addresses of the parties of the enclosed documents are:

Equipment Lease  
and  
Lease Supplement

Lessor: State Street Bank and Trust Company  
Of Connecticut, N.A.  
225 Asylum Street  
Hartford, Connecticut 06103

Lessee: Nova Chemicals Inc.  
690 Mechanic Street  
Leominster, Massachusetts 01453

*Countersigned: J. Williams*

Mr. Vernon A. Williams  
August 5, 1997  
Page 2

Trust Indenture  
and  
Indenture Supplement

Owner Trustee: State Street Bank and Trust Company  
Of Connecticut, N.A.  
225 Asylum Street  
Hartford, Connecticut 06103

Indenture Trustee: The First National Bank of Chicago  
One First National Plaza, Suite 0126  
Chicago, Illinois 60670-0126

D → Bill of Sale

Seller: Nova RL Inc.  
690 Mechanic Street  
Leominster, Massachusetts 01453

Buyer: State Street Bank and Trust Company  
Of Connecticut, N.A.  
225 Asylum Street  
Hartford, Connecticut 06103

A description of the railroad equipment covered by the enclosed documents is:

three hundred fifty (350) covered hopper railcars  
NCIX 001412 through NCIX 001761

Also enclosed is a check in the amount of \$120.00 payable to the order of the  
Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of each of the enclosed documents to the  
undersigned.

Very truly yours,



Robert W. Alvord

RWA/bg  
Enclosures

BILL OF SALE

MHC 6 '97 10-20AM

Reference is hereby made to the Participation Agreement (the "Participation Agreement") dated as of August 6, 1997, among NOVA Chemicals Inc., a Delaware corporation ("Lessee"), NOVA Chemicals Ltd., an Alberta corporation ("Lessee Parent"), NOVA RL Inc., a Delaware corporation ("Seller"), Grant Holdings, Inc., a Pennsylvania corporation, Philip Morris Capital Corporation, a Delaware corporation, State Street Bank and Trust Company of Connecticut, N.A., a national banking association, not in its individual capacity, but solely as Owner Trustee ("Lessor"), certain Note Purchasers named therein, and The First National Bank of Chicago, a national banking association, not in its individual capacity, but solely as Indenture Trustee. Capitalized terms not defined herein shall have the meanings assigned thereto in the Glossary incorporated into the Participation Agreement.

Seller, in consideration of the payment in cash or other immediately available funds by or on behalf of Lessor of the Lessor's Cost with respect to the Units designated on Annex I attached hereto, the receipt and sufficiency of which payment is hereby acknowledged by Seller, does hereby sell, assign, transfer, convey, grant, bargain, set over, deliver and confirm to Lessor all of Seller's right, title and interest, in and to the Units designated on Annex I hereto, together with any other right, title and interest which Seller may now have or subsequently acquire in any personal property becoming part of the Units designated on Annex I hereto, to have and to hold all of the rights to the Units designated on Annex I hereto to Lessor and its successors and assigns for their own use and benefit forever.

Seller hereby warrants to Lessor and its successors and assigns that at the time of delivery of the Units designated on Annex I hereto, Seller had good and marketable title thereto and good and lawful right to sell such personal property and that title thereto is hereby validly and effectively transferred to Lessor free and clear of all liens, security interests and other encumbrances of any nature, and Seller covenants that Seller will warrant and defend such title to such personal property forever against any claims or demands of all persons and entities whomsoever and the benefits of these warranties of Seller to Lessor shall inure to the benefit of each successor and assign of Lessor and their successors and assigns.

The Units designated on Annex I hereto are being transferred by Seller in satisfaction of a condition precedent to the execution of certain of the other Operative Agreements. This Bill of Sale shall be governed by the laws of the State of New York.

IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be executed in its name and on its behalf by its officer, thereunto duly authorized.

NOVA RI INC.

Date: August 6, 1997

By: 

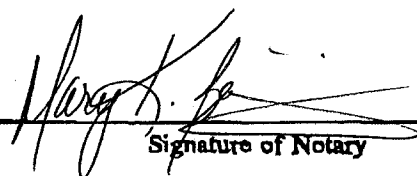
Name: **Arnold H. Wensky**

Title: **Secretary**

**ALL-PURPOSE ACKNOWLEDGEMENT**State of Pennsylvania )County of Allegheny )On July 24, 1997 before me, Mary K. Benjamin, Notary Public  
Date Name and Title of Officer (i.e., Your Name, Notary Public)personally appeared Arnold Wensky + David F. Clarke  
Name(s) of Document Signer(s)

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

  
Signature of Notary

Notarial Seal  
Mary K. Benjamin, Notary Public  
Aliquippa, Beaver County  
My Commission Expires April 7, 2001  
Member, Pennsylvania Association of Notaries

## ANNEX I

### Description of Units

**5847 Cubic Foot Covered Hopper Cars:**

NCIX001412 through NCIX001761, inclusive.